



Naftex Operating Company P.O. Box 308 Edison, CA 93220-0308

May 28, 2015

Ms. Pamela Creedon, Executive Officer 11020 Sun Center Drive, Suite 200 Rancho Cordova, CA 95670

RE:

Notice, Tentative Cease and Desist Order and Public Hearing for Valley Water Management Company, Race Track Hill Facility and Fee 34 Facility, Edison Oil Field, Kern County – Request for "Designated Party" Status

Dear Ms. Creedon,

I represent Naftex Operating Company as their Senior Petroleum Engineer responsible for operations in the Edison Oil Field area. Naftex is a member of the Valley Water Management Company's (VWMC) Race Track Hill District. Naftex is aware of the issuance of the Tentative Cease and Desist Order (CDO) dated 18 May 2015 and we support the work that VWMC is doing to respond to requests from the Central Valley Regional Water Quality Board. In addition to what VWMC will be presenting at the forthcoming board hearing in July of this year as a "Designated Party" I request as Naftex's representative to be designated a "Designated Party" to present what impact the CDO will have on our operations and show what our company is doing to pursue alternative means of reuse and/or disposing of produced oil well waters from our affected operations.

Associated with each of our alternative disposal methods will be a timeline required to bring any of these alternatives to fruition. Should this CDO be accepted by the Board as written there is no way that we can commission any of our alternatives within the dates prescribed in the Order. This will mean shutting in more than 250 barrels of oil production per day and laying off personnel.

I await the Board Advisory Team's response to my request.

Sincerely,

Neil A. Malpiede, PÉ

Senior Petroleum Engineer

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